

In Memory of

MSC Commissioner

H. Hickman Rowland, Jr.

( Hick )



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#### Secretary's Message

It is with great sadness the Municipal Services Commission of the City of New Castle says goodbye to Mr. H. Hickman (Hick) Rowland, Jr. who served the Commission for over thirteen (13) years. Hick served as the appointment from the Mayor of New Castle from 2000 through 2011 and as the appointment from the Trustees of New Castle Common from 2015 to 2017. Hick's technical, financial, and business knowledge proved to make him a transformational leader of the Commission. Hick was a contributor to the construction of the MSC Utilities Building in 2003, the Dobbinsville Substation in 2011, and the renovations of the School Lane Water Treatment Facility in 2011. Most recently, Hick participated with the Commission in the construction of a Carbon Filtration System in 2015. The MSC staff were always delighted to see Hick as he would stop in the office periodically to ask how things were going. He always had a smile and nice words for one and all. Hick passed away on November 12, 2017 and will be sorely missed.

With Hick's departure, the Trustees of New Castle Common will be making a new appointment to the Commission. We look forward to welcoming another City of New Castle leader to provide guidance and oversight to the operation.

The Commission engaged with Barbacane Thornton & Company to serve as the financial auditors for the Fiscal Year Ending March 31, 2017. The audit was very successful and the auditors opinion was "the financial statements.....present fairly, in all material respects, the financial position of the Municipal Services Commission as of March 31, 2017, and the changes in its financial position and its cash flows of the year then ended in accordance with accounting principles generally accepted in the United States of America". This edition of the newsletter provides the citizens of New Castle with the financial statements. You can find the complete report on the MSC website <a href="https://newcastlemsc.delaware.gov/">https://newcastlemsc.delaware.gov/</a>. Please feel free to stop in and discuss any questions regarding the statements with me or Tara French, Accounting & Customer Service Manager.

The Commission would like to wish you and your family a Happy and Safe Holiday Season!!

Pamela A. Patone



### Resources At Your Fingertips

City Administration Office 322-9801

**Mayor's Office 322-9802** 

**Public Works Department** 322-9813

MSC Main Office 323-2330

MSC Utility Building 323-2333

Pamela A. Patone 221-4513

Secretary / General Manager

Mary Jane Stubbs 323-2332

**Business Manager / Treasurer** 

**Tara French 221-4517** 

**Accounting & Customer Service Manager** 

Scott Blomquist 221-4514

**Electric Supervisor** 

**Jay Guyer 221-4515** 

**Water Supervisor** 

### MSC Commissioners

Dr. Roy J. Sippel - President

Daniel F. Knox

**Trustees Appointment Pending** 

### Calendar Of Events

December 25th—MSC Closed

December 26th – MSC Closed

January 1st – MSC Closed

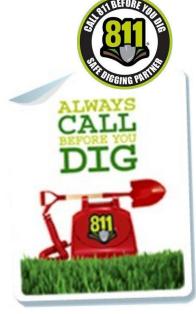


Planning a project at home that involves digging on your property?

Don't Start Digging Until You Call – It's the law!

MISS UTILITY

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#### **Meet Our Customer**

TA Instruments is the world's leading manufacturer of analytical instruments for thermal analysis, rheology, and microcalorimetry. TA's reputation for high technology products, quality manufacturing, and unbeatable after sales support is why more customers recommend TA products to their colleagues around the world. Headquartered in New Castle, Delaware, TA Instruments prides themselves in the technical competence and professionalism that their sales force offers. They are the only thermal analysis, rheology, microcalorimetry, and mechanical analysis supplier recognized worldwide for their prompt, courteous, and knowledgeable service staff, the hallmark of their company.

TA Instruments began as the Instrument Products Division of the DuPont Company in 1963. The business separated from DuPont into a stand-alone business in 1990, and was purchased by Waters Corporation (NYSE: WAT) in 1996. TA quickly became, and remains, the world leader in thermal analysis.

Over time, TA has acquired other companies and expanded into multiple product areas including rheology, microcalorimetry, thermal conductivity & diffusivity, dilatometry, rubber testing systems, and dynamic mechanical characterization. They have continuously maintained their commitment to providing high reliability and high-performance products to meet the needs of their customers in the evaluation of physical properties.





#### **Electric News**

Trees along Electric lines in New Castle generally need pruning every two to five years depending on the type of tree and its growth. The Municipal Services Commission prunes trees that could come in contact with power lines and other electrical equipment that could cause a hazardous condition. The goal is to maintain and deliver safe and reliable electric service to our customers by minimizing outages caused by trees. Electric Utilities are required by Federal, State, and Local Governments, Public Service Commissions, as well as The National Electric Safety Code to maintain the appropriate clearance between trees and electric lines at all times. Trees and other vegetation are pruned or removed to a distance greater than the minimum clearances to account for future growth, movement of trees or power lines due to wind, conductor sag due to heat and line loading, and other factors. The Municipal Services Commission strives to do a professional job and to do our part in keeping New Castle beautiful and safe for all our residents and visitors. If you see wires down stay away, keep others away, call 911, and the Municipal Services Commission as soon as possible at 302-323-2330 or 302-323-2333.







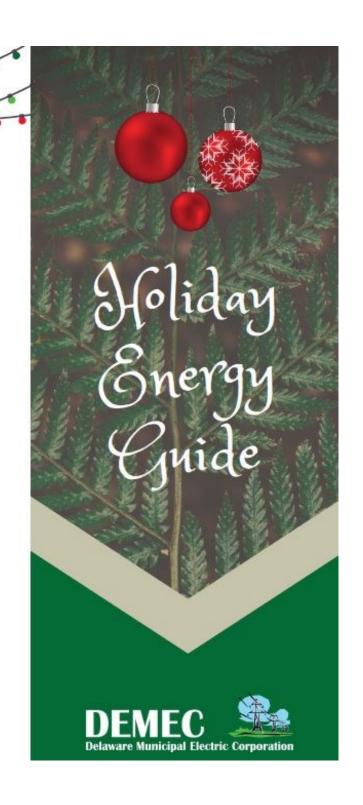
# How to save energy during the holidays:

- Unplug electronics before you leave for vacation.
- Use a light timer.
- Close the chimney flue when the fireplace is not being used.
- Use an outdoor light projector instead of stringed lights.
- · Decorate using LED candles.
- Lower the thermostat 2-3 degrees.
- Bake several dishes in the oven at one time.



216 Chestnut Street New Castle, DE 19720 newcastlemsc.delaware.gov (302) 323-2330







#### Benefits to LED Holiday Lights

A big benefit to LED holiday lights is that they use less energy than your typical holiday lights, saving you nearly 35x more in energy costs. But there are even more benefits to switching that you may not know.

#### LEDs are Safer

Significantly less of a hazard than traditional lights that can burn fingers or create a fire hazard.

#### LEDs are Sturdier

LED lights are made with plastic, not glass, so they are less likely to break.

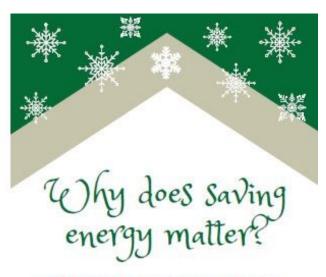
#### **LEDs Last Longer**

A typical LED light string could be used up to 40 holiday seasons!

#### LEDs are More Convenient to Install

Up to 25 LED light strings can be connected to each other using one plug without overloading the wall socket.

Source: U.S. Dept. of Energy



- Saves you money as you head into the New Year!
- Makes your home safer by using more efficient ways to light and decorate your home.
- Reduces emissions and protects the environment.





#### Water News

Water Supply Planning and Conservation are important components of the Municipal Services Commissions (MSC) overall operation. The least expensive method of ensuring an adequate supply of good quality water for the future is through wisely managing and carefully utilizing supplies we already have.

Water conservation cannot be imposed upon people but must be voluntarily and willingly accepted as a shared responsibility between the MSC and our Customers. Only when our Customers embrace and practice a conservation ethic and adopt water conservation as part of their lifestyle can MSC succeed in meeting our supply goals. Water conservation is a partnership between MSC and our customers to exercise proper stewardship over our water supply for the future.

The goal of the Municipal Services Commission is to provide a cost effective, adequate, and reliable supply of high quality water to our Customers. To assure an adequate supply of water is available MSC encourages all Customers to conserve water. MSC has informational pamphlets available at the main office for public education and encourages parents to talk to and educate their children about water conservation. It is easier to start conservative water using practices and habits than to break wasteful ones

Through voluntary conservation efforts of MSC and our Customers, we can work together to ensure a safe, adequate, and reliable supply of water is available for the future.



I. The greatest water uses in an average home are:











Toilet (45%) Showers (30%) Laundry (20%) Drinking & Cooking (5%)



Install low-flow toilets as they account for 45% of indoor water use

Install rain barrels on the gutter downspots to catch storm water and use it to water your flower and vegetable gardens or wash the car



Install a low-flow faucet aerator in the kitchen - this will reduce water flow by 25-50%

Wash only full dishwasher loads



Only water your lawn if it needs it: if it springs back when you step on it, it does not need watering

Source: Quinte Conservation



Conserving water takes all of us

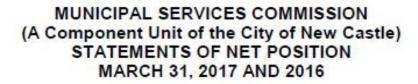


#### MUNICIPAL SERVICES COMMISSION (A Component Unit of the City of New Castle) STATEMENTS OF NET POSITION MARCH 31, 2017 AND 2016



* <	2017	2016
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		19
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,491,132	\$ 1,935,146
Investments	1,073,100	1,031,021
Accounts receivable, net	412,638	943,095
Grants receivable		149,417
Dividends receivable	162	149
Other receivables	2,833	1,316
Inventory	553,153	583,728
Prepaid expenses	81,832	69,189
Total Current Assets	4,614,850	4,713,061
Restricted Assets:		
Cash and cash equivalents - restricted	834,075	671,646
Noncurrent Assets:		
Land	45,386	45,386
Construction-in-progress	146,806	482,992
Property, plant and equipment	22,117,702	21,107,737
Less: Accumulated depreciation	(11,573,716)	(11,107,107)
Total Noncurrent Assets	10,736,178	10,529,008
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension	81,365	198,870
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 16,266,468	\$ 16,112,585







	93	2017	8.0	2016
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
LIABILITIES				
Current Liabilities:				
Accounts payable	5	590,367	\$	610,381
Accrued expenses		20,162		32,117
Payroll withholdings payable		2,283		5,641
Accrued wages		27,823		73,562
Developer deposits		857		7,660
Other liabilities		1,446		1,302
Total Current Liabilities	90	642,938	0.0 0.0	730,663
Noncurrent Liabilities:				
Escrow deposits		4,386		4,372
Customer deposits		829,690		667,274
Accrued compensated absences		315,965		286,051
Net pension liability		890,698		1,144,056
Total Noncurrent Liabilities	30	2,040,739	\$₹ 4.	2,101,753
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	-	136,336	9.5	6,849
NET POSITION				
Net investment in capital assets		10,736,178		10,529,008
Unrestricted		2,710,277		2,744,312
TOTAL NET POSITION	20	13,446,455	22	13,273,320
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES,				
AND NET POSITION	\$	16,266,468	\$	16,112,585



#### MUNICIPAL SERVICES COMMISSION

#### (A Component Unit of the City of New Castle)

#### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED MARCH 31, 2017 AND 2016



	2017	2016
OPERATING REVENUES:	0 44 000 040	B 44 074 254
User charges City service charges	\$ 11,089,210 60,881	\$ 11,071,351 104,302
Free service	54,733	54,249
Miscellaneous	112,003	83,183
TOTAL OPERATING REVENUES	11,316,827	11,313,085
LESS: Free service	(9,277)	(7,055)
NET OPERATING REVENUES	11,307,550	11,306,030
PURCHASE OF POWER AND WATER	7,321,928	7,311,736
OPERATING EXPENSES	2,341,336	2,118,157
GENERAL AND ADMINISTRATIVE EXPENSES	865,468	918,035
OPERATING INCOME	778,818	958,102
NONOPERATING REVENUES (EXPENSES):		
Investment income	33,337	32,456
Gain (loss) on sale of assets	8,550	(26,134)
Grant income	55,470	595,422
Grant expense	(11,878)	(41,612)
Appropriations to the Mayor and Council of New Castle:		
Ordinary	(664,281)	(537,575)
City services	(41,621)	(104,302)
Special	(30,063)	(30,613)
Unrealized gain (loss) TOTAL NONOPERATING EXPENSES	12,423	(26,574)
	(638,063)	(138,932)
CAPITAL CONTRIBUTIONS		
Private developer contributions	32,380	32,578
CHANGE IN NET POSITION	173,135	851,748
NET POSITION, BEGINNING OF YEAR	13,273,320	12,421,572
NET POSITION, END OF YEAR	\$ 13,446,455	\$ 13,273,320





## MUNICIPAL SERVICES COMMISSION (A Component Unit of the City of New Castle) COMBINING SCHEDULES OF REVENUES AND EXPENSES BY DEPARTMENT FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

	Water Department		Electric Department		Total	
	2017	2016	2017	2016	2017	2016
OPERATING REVENUES:	JD 20	JP 28	<i>3</i> 99	579	08	000
User charges	\$ 1,587,561	\$ 1,666,770	\$ 9,501,649	\$ 9,404,581	\$11,089,210	\$11,071,351
City service charges	22,483	21,711	38,398	82,591	60,881	104,302
Free service	3,488	2,138	51,245	52,111	54,733	54,249
Miscellaneous	29,229	16,899	82,774	66,284	112,003	83,183
TOTAL OPERATING REVENUES	1,842,761	1,707,518	9,674,086	9,605,567	11,316,827	11,313,085
LESS: Free service	(2,902)	(1,827)	(6,375)	(5,228)	(9,277)	(7,055)
NET OPERATING REVENUES	1,639,859	1,705,691	9,667,691	9,600,339	11,307,550	11,306,030
PURCHASE OF POWER AND WATER	24,428	24,000	7,297,500	7,287,738	7,321,928	7,311,736
OPERATING EXPENSES	1,204,593	1,094,344	1,136,743	1,023,813	2,341,336	2,118,157
GENERAL AND ADMINISTRATIVE EXPENSES	330,007	337,573	535,461	580,462	885,468	918,035
OPERATING INCOME	80,831	249,774	697,987	708,328	778,818	958,102
NONOPERATING REVENUES (EXPENSES):						
Investment income	4,970	4,915	28,367	27,541	33,337	32,456
Gain/(Loss) on sale of assets	-	(15,334)	8,550	(10,800)	8,550	(26, 134)
Grant income	55,470	518,429	-	76,993	55,470	595,422
Grant expense	(11,878)	(41,812)	-	-	(11,878)	(41,612)
Private developer contributions	16,458	10,125	15,922	22,453	32,380	32,578
Appropriations to the Mayor						
and Council of New Castle:						
Ordinary	(100,006)	(80,700)	(564,275)	(456,875)	(664,281)	(537,575)
City services	(22,483)	(21,711)	(19,138)	(82,591)	(41,621)	(104,302)
Special	(12,772)	(10,495)	(17,291)	(20,118)	(30,063)	(30,613)
Unrealized Gains/(Losses)	1,863	(3,986)	10,560	(22,588)	12,423	(28,574)
TOTAL NONOPERATING REVENUES (EXPENSES)	(68,378)	359,631	(537,305)	(465,985)	(605,683)	(106,354)
CHANGE IN NET POSITION	\$ 12,453	\$ 609,405	\$ 160,682	\$ 242,343	\$ 173,135	\$ 851,748



# MUNICIPAL SERVICES COMMISSION (A Component Unit of the City of New Castle) COMBINING SCHEDULES OF OPERATING EXPENSES BY DEPARTMENT FOR THE YEARS ENDED MARCH 31, 2017 AND 2016



	Water Department		Electric D	)epartment	Total		
	2017	2016	2017	2016	2017	2016	
OPERATING EXPENSES:							
Clothing allowance	\$ 3,749	\$ 4,241	\$ 9,611	\$ 8,968	\$ 13,360	\$ 13,209	
Computer expense	12,431	12,550	17,548	15,781	29,979	28,331	
Depreciation:							
Plant and equipment	336,158	328,473	233,986	233,034	570,144	561,507	
Trucks and autos	16,069	15,309	58,076	38,175	74,145	53,484	
Employee benefits	99,668	86,998	90,309	82,063	189,977	169,061	
Engineering fees	1,166		800	0.1	1,966		
Equipment rental	337	48,654	412	785	749	49,439	
Insurance	55,458	50.222	47,786	43,009	103,244	93,231	
Payroll taxes	30,464	24,442	32,548	29,197	63,012	53,639	
Pension expense	64,181	76,876	77,863	93,263	142,044	170,139	
Plant materials and supplies	11,669	5,136	18,139	5,793	29,808	10,929	
Repairs and maintenance:	A 22888	1000	25.800.00		H246 3 (20)	3333434	
Buildings and grounds	6,237	6,488	2,597	2,296	8,834	8,784	
Hydrants, mains, and valves	6,255	3,183	10000000	A STATE OF THE PARTY OF THE PAR	6,255	3,183	
Lines and poles	-	-	5,576	4,676	5,576	4,676	
Meters and services	23,359	2,676	6,789	2,642	30,148	5,318	
Pumping stations	28,693	18,338	90.00		28,693	18,338	
Storm damage	-	_	1	138	-	138	
Street lights	-	-	2,758	3,565	2,758	3,565	
Substations		100 to 10	2,754	1,121	2,754	1,121	
Salaries and wages	421,698	334,211	447,992	389,850	869,690	724,061	
Safety expense	2,949	669	3,480	5,163	6,429	5,832	
Sampling and testing	15,277	13,749	11,300	4,597	26,577	18,346	
Security	1 10000000	-	3,602	2,492	3,602	2,492	
Seminars/Training	4,799	1,875	2,291	3,977	7,090	5,652	
Supplies	11,288	11,603	17,985	12,948	29,273	24,551	
Truck expense	18,683	15,383	29,037	26,077	47,720	41,460	
Utilities	34,005	33,468	13,504	14,203	47,509	47,671	
TOTAL OPERATING EXPENSES	\$ 1,204,593	\$ 1,094,344	\$ 1,136,743	\$ 1,023,813	\$ 2,341,336	\$ 2,118,157	





#### MUNICIPAL SERVICES COMMISSION

#### (A Component Unit of the City of New Castle) COMBINING SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES BY DEPARTMENT FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

	Water Department		Electric D	epartment	Total	
	2017	2016	2017	2016	2017	2016
GENERAL AND ADMINISTRATIVE EXPENS	SES:					
Administrative	\$ 15,000	\$ 14,438	\$ 18,523	\$ 17,615	\$ 33,523	\$ 32,053
Bad debts	-	-	-	10,679		10,679
Depreciation - furniture and fixtures	9,022	10,288	10,987	12,574	20,009	22,862
Dues and subscriptions	3,247	3,025	1,414	1,803	4,661	4,828
Employee benefits	30,567	34,283	51,185	65,282	81,752	99,565
Fees and permits	258	258	193	193	451	451
Insurance	15,567	15,265	17,750	17,484	33,317	32,749
Office salaries	156,498	140,320	274,307	271,252	430,805	411,572
Office supplies	19,369	17,369	26,286	23,686	45,655	41,055
Payroll taxes	14,847	14,763	23,059	24,460	37,906	39,223
Pension expense	15,024	17,991	49,302	59,047	64,326	77,038
Professional fees	26,452	42,950	32,447	43,242	58,899	86,192
Rent	Or post-occupa-	1 000 coasts 1	485	801	485	801
Repairs and maintenance - equipment	5,522	7,264	6,749	8,879	12,271	16,143
Security system	1,707	1,641	2,087	1,781	3,794	3,422
Telephone	10,945	11,693	13,377	14,292	24,322	25,985
Training - administrative	4,478	4,266	5,473	5,225	9,951	9,491
Utilities and other expenses	1,504	1,759	1,837	2,167	3,341	3,926
TOTAL GENERAL AND ADMINISTRATIVE						
EXPENSES	\$ 330,007	\$ 337,573	\$ 535,461	\$ 580,462	\$ 865,468	\$ 918,035



It's easy to make safety a part of your holiday with these tips. Tackle one a day and you're well on your way to a safe New Year!



What's that noise?

Test your smoke and carbon monoxide alarms. Make sure everyone knows what to do if they hear them.

Day 2 What a shocker!

Before use, inspect all electrical lights, decorations, and extension cords for damage.

Day 3 Two's company, three's a crowd. Do not overload outlets with too many decorations or devices.

Day 4 Is it working? Test your ground fault circuit interrupters (GFCIs) and arc fault circuit interrupters (AFCIs) to make sure they're protecting you.

Day 5

Ouch! Prevent trips and falls by keeping cords safely along walls and out of doorways and high traffic areas.

Day 6

Kids eat the darndest things! Avoid putting lights, metal hooks, breakable ornaments, and other small decorations within reach of young children.

Day 7

Thirsty? Keep your Christmas tree stand full of water. A fresh, green tree poses less of a fire hazard than a dry tree.

Day 8

Make a wish! Blow out the candles before leaving a room or going to bed.

Day 9

Nice and warm. Keep space heaters at least 3 feet away from anything that can burn decorations, trees, gifts, and curtains.

Day 10

Can't touch this! Consider installing tamper-resistant outlets/ receptacles to prevent kids from inserting objects into the slots.

Day # Escape Route: Share your family fire escape plan with overnight guests.

Day 12 Hot stuff! Keep children away from cooking areas; use back burners and turn pot handles in away from little hands.

There's no greater gift you can give your family than a safe and happy holiday! Learn more at holidaysafety.org.

216 Chestnut St. New Castle, De 19720 302-323-2330

Municipal Services Commission of the City of New Castle



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